



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-016]

Certain Passenger Vehicles and Light Truck Tires from the People's Republic of China: Notice of Court Decision Not in Harmony with the Results of Antidumping Administrative Review; Notice of Amended Final Results

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: On May 19, 2022, the U.S. Court of International Trade (the Court) issued its final judgment in *Qingdao Sentury Tire Co., Ltd., et al v. United States*, Consol. Court No. 18-00079, sustaining the U.S. Department of Commerce's (Commerce) third remand results pertaining to the administrative review of the antidumping duty (AD) order on certain passenger vehicles and light truck tires (passenger tires) from the People's Republic of China (China), covering the period January 27, 2015, through July 31, 2016. Commerce is notifying the public that the Court's final judgment is not in harmony with Commerce's final results of the administrative review, and that Commerce is amending the final results with respect to the dumping margin assigned to Qingdao Sentury Tire Co., Ltd. and certain separate rate respondents. In addition, Commerce is amending the final results for Pirelli Tyre Co., Ltd. (Pirelli Tyre Co.) for a portion of the period of review (POR) (*i.e.*, January 27, 2015, through October 19, 2015).

DATES: Applicable May 29, 2022.

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SUPPLEMENTARY INFORMATION:

Background

On March 16, 2018, Commerce published its *Final Results* in the 2015-2016 AD administrative review of passenger tires from China. In the *Final Results*, Commerce determined that Pirelli Tyre Co. did not qualify for a separate rate because it failed to rebut the presumption of *de facto* or *de jure* Chinese government control of its operations during the POR.¹ In addition, Commerce also denied Pirelli Tyre Co. a separate rate for the portion of the administrative review before China National Chemical Corporation (Chem China) acquired majority indirect ownership in the company, January 2015 to October 2015.²

Pirelli³ appealed Commerce's *Final Results*. On November 27, 2019, the Court remanded the *Final Results* to Commerce for a more fulsome discussion of the criteria for *de jure* and *de facto* government control regarding Commerce's finding that Pirelli does not qualify for a separate rate, stating that Commerce failed to

adequately explain how the acquisition of Pirelli S.p.A. by Chem China *in Italy* altered the ownership of Pirelli entities *in China* such that the rebuttable presumption of government ownership applies or that if the presumption applies, that evidence on the record was not sufficient to rebut the presumption.⁴

In the *Passenger Tires First Remand Redetermination* issued in March 2020, Commerce continued to find that Pirelli Tyre Co. failed to rebut the presumption of *de facto* Chinese-government control during the POR.⁵ On December 21, 2020, the Court sustained Commerce's finding on remand that Pirelli Tyre Co. failed to rebut the presumption of government control and Commerce's assignment of the China-wide entity rate to Pirelli Tyre Co. for the period October 20, 2015, through July 31, 2016. However, the Court remanded Commerce's

¹ See *Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2015-2016*, 83 FR 11690 (March 16, 2018) (*Final Results*), and accompanying Issues and Decision Memorandum (IDM).

² *Id.* at 28.

³ Pirelli Tyre Co., Pirelli Tyre LLC. and Pirelli Tyre S.p.A. (collectively "Pirelli").

⁴ See *Shandong Yongtai Grp. Co., Ltd. v. United States*, 415 F. Supp. 3d 1303, 1317 (CIT 2019).

⁵ See *Final Results of Redetermination Pursuant to Court Remand, Shandong Yongtai Group Co., Ltd. et al. v. United States*, Court No. 18-00077, Slip Op. 19-150, dated November 27, 2019 (*Passenger Tires First Remand Redetermination*).

irrecoverable value-added tax (VAT) determination, ordering Commerce to recalculate Qingdao Sentury's⁶ export price without any adjustment for its irrecoverable VAT.⁷

In the *Passenger Tires Second Remand Redetermination* issued on March 1, 2021, Commerce removed the downward adjustment to Qingdao Sentury's export price accounting for its irrecoverable VAT from our final calculations, and accordingly, revised the weighted-average dumping margin for Qingdao Sentury as well as for certain separate rate respondents.⁸ The Court sustained Commerce's recalculation of the weighted-average dumping margin for Qingdao Sentury and certain separate rate respondents, but remanded the issue of whether Pirelli Tyre Co. was eligible for separate rate status for the period prior to Chem China's acquisition, January 27, 2015, through October 19, 2015.⁹

In the *Passenger Tires Third Remand Redetermination*, issued on December 3, 2021, Commerce found that Pirelli Tyre Co. rebutted the presumption of *de jure* and *de facto* Chinese government control, and as a result, found that Pirelli Tyre Co. is eligible for a separate rate during the period January 27, 2015, through October 19, 2015.¹⁰ On May 19, 2022, the Court sustained Commerce's final redetermination.¹¹

⁶ Qingdao Sentury Tire Co., Ltd.; Sentury Tire USA Inc., and Sentury (Hong Kong) Trading Co., Limited (collectively, Qingdao Sentury).

⁷ See *Shandong Yongtai Group Co., Ltd. v. United States*, 487 F. Supp. 3d 1335, 1346, 1348 (CIT 2020). The Court also sustained Commerce's successor-in-interest determination regarding Shandong Yongtai Group Co., Ltd., formerly known as Shandong Yongtai Chemical Co., Ltd. *Id.*, 487 F. Supp. 3d at 1348. The Court then severed the consolidated cases in *Shandong Yongtai Grp. Co. v. United States*, 493 F. Supp. 3d 1342 (CIT 2021), entering a final judgment for *Shandong Yongtai Grp. Co. v. United States* and ordering that all further proceedings occur under *Qingdao Sentury Co., Ltd. v. United States*, Court No. 18-79. Commerce issued amended final results with respect to the antidumping duty margin assigned to Shandong Yongtai Chemical Co., Ltd. and its successor-in-interest Shandong Yongtai Group Co., Ltd. and ordered liquidation of those entries. See *Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China: Notice of Court Decision Not in Harmony with the Results of Antidumping Administrative Review; Notice of Amended Final Results*, 86 FR 20659 (April 21, 2021); CBP Message 1127401, dated May 7, 2021.

⁸ See *Final Results of Redetermination Pursuant to Court Order, Pirelli Tyre Co., Ltd., Pirelli Tyre S.p.A., and Pirelli Tire LLC v. United States*, Court No. 18-00079, Slip Op. 20-182, dated December 21, 2020 (*Passenger Tires Second Remand Redetermination*).

⁹ See *Qingdao Sentury Tire Co., Ltd. v. United States*, 539 F. Supp. 3d 1278, 1285 (CIT 2021). (*Passenger Tires Third Remand Order*).

¹⁰ See *Final Results of Redetermination Pursuant to Court Order, Pirelli Tire LLC v. United States*, Court No. 18-00079, Slip Op. 21-128, dated December 3, 2021 (*Passenger Tires Third Remand Redetermination*).

¹¹ See *Qingdao Sentury Tire Co., Ltd. v. United States*, Court No. 18-00079, Slip Op. 22-48, dated May 19, 2022.

Timken Notice

In its decision in *Timken*,¹² as clarified by *Diamond Sawblades*,¹³ the U.S. Court of Appeals for the Federal Circuit held that, pursuant to section 516A(c) and (e) of the Tariff Act of 1930, as amended (the Act), Commerce must publish a notice of court decision that is not “in harmony” with a Commerce determination and must suspend liquidation of entries pending a “conclusive” court decision. The Court’s May 19, 2022, judgment constitutes a final decision of the Court that is not in harmony with Commerce’s *Final Results*. Thus, this notice is published in fulfillment of the publication requirements of *Timken*.

Amended Final Results

Because there is now a final court judgment, Commerce is amending its *Final Results* with respect to Qingdao Sentury Tire Co., Ltd., certain separate rate companies, and Pirelli Tyre Co., Ltd. as follows:

Producer/Exporter	<i>Final Results:</i> Weighted-Average Dumping Margin (Percent)	Second Final Remand: Weighted-Average Dumping Margin (Percent)
Qingdao Sentury Tire Co., Ltd./Sentury Tire USA Inc./Sentury (Hong Kong) Trading Co., Limited	4.41	1.27 ¹⁴
Actyon Tyre Resources Co., Limited	2.96	1.45
Shandong Anchi Tyres Co., Ltd.	2.96	1.45
Briway Tire Co., Ltd.	2.96	1.45
Shandong Changfeng Tyres Co., Ltd.	2.96	1.45
Qingdao Crown Chemical Co., Ltd.	2.96	1.45
Crown International Corporation	2.96	1.45
Qingzhou Detai International Trading Co., Ltd.	2.96	1.45
Shandong Duratti Rubber Corporation Co. Ltd.	2.96	1.45
Shouguang Firemax Tyre Co., Ltd.	2.96	1.45
Fleming Limited	2.96	1.45

¹² See *Timken Co. v. United States*, 893 F.2d 337 (Fed. Cir. 1990) (*Timken*).

¹³ See *Diamond Sawblades Manufacturers Coalition v. United States*, 626 F.3d 1374 (Fed. Cir. 2010) (*Diamond Sawblades*).

¹⁴ See Memorandum, “Final Results of Redetermination Pursuant to Second Remand of Certain Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Amended Analysis Memorandum for Qingdao Sentury Tire Co., Ltd.,” dated February 26, 2021.

Qingdao Fullrun Tyre Corp., Ltd.	2.96	1.45
Qingdao Fullrun Tyre Tech Corp., Ltd.	2.96	1.45
Guangrao Taihua International Trade Co., Ltd.	2.96	1.45
Shandong Guofeng Rubber Plastics Co., Ltd.	2.96	1.45
Hankook Tire China Co., Ltd.	2.96	1.45
Haohua Orient International Trade Ltd.	2.96	1.45
Shandong Hengyu Science & Technology Co., Ltd.	2.96	1.45
Hongkong Tiancheng Investment & Trading Co., Limited	2.96	1.45
Hongtyre Group Co.	2.96	1.45
Jiangsu Hankook Tire Co., Ltd.	2.96	1.45
Jinyu International Holding Co., Limited	2.96	1.45
Qingdao Jinhaoyang International Co., Ltd.	2.96	1.45
Jilin Jixing Tire Co., Ltd.	2.96	1.45
Kenda Rubber (China) Co., Ltd.	2.96	1.45
Qingdao Keter International Co., Limited	2.96	1.45
Koryo International Industrial Limited	2.96	1.45
Kumho Tire Co., Inc.	2.96	1.45
Qingdao Lakesea Tyre Co., Ltd.	2.96	1.45
Liaoning Permanent Tyre Co., Ltd.	2.96	1.45
Shandong Longyue Rubber Co., Ltd.	2.96	1.45
Macho Tire Corporation Limited	2.96	1.45
Maxon Int'l Co., Limited	2.96	1.45
Mayrun Tyre (Hong Kong) Limited	2.96	1.45
Qingdao Nama Industrial Co., Ltd.	2.96	1.45
Nankang (Zhangjiagang Free Trade Zone) Rubber Industrial Co., Ltd.	2.96	1.45
Shandong New Continent Tire Co., Ltd.	2.96	1.45
Qingdao Odyking Tyre Co., Ltd.	2.96	1.45
Prinx Chengshan (Shandong) Tire Co., Ltd.	2.96	1.45
Riversun Industry Limited	2.96	1.45
Roadclaw Tyre (Hong Kong) Limited	2.96	1.45
Safe & Well (HK) International Trading Limited	2.96	1.45
Sailun Jinyu Group Co., Ltd. ¹⁵	2.96	1.45
Sailun Jinyu Group (Hong Kong) Co., Limited ¹⁶	2.96	1.45
Shandong Jinyu Industrial Co., Ltd. ¹⁷	2.96	1.45
Sailun Tire International Corp.	2.96	1.45
Seatex International Inc.	2.96	1.45
Dynamic Tire Corp.	2.96	1.45
Husky Tire Corp.	2.96	1.45
Shandong Province Sanli Tire Manufactured Co., Ltd.	2.96	1.45
Shandong Linglong Tyre Co., Ltd.	2.96	1.45

¹⁵ Sailun Group Co., Ltd. is the successor-in-interest to Sailun Jinyu Group Co. Ltd. for purposes of antidumping duty cash deposits and liabilities. *See Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China: Final Results of Changed Circumstances Reviews*, 85 FR 14638 (March 13, 2020) (*Sailun Changed Circumstances Final Results*).

¹⁶ Sailun Group (Hong Kong) Co., Limited is the successor-in-interest to Sailun Jinyu Group (Hong Kong) Co., Limited for purposes of antidumping duty cash deposits and liabilities. *See Sailun Changed Circumstances Final Results*.

¹⁷ Sailun (Dongying) Tire Co., Ltd. is the successor-in-interest to Shangong Jinyu Industrial Co., Ltd. for purposes of antidumping duty cash deposits and liabilities. *See Sailun Changed Circumstances Final Results*.

Shandong Yonking Rubber Co., Ltd.	2.96	1.45
Shandong Shuangwang Rubber Co., Ltd.	2.96	1.45
Shengtai Group Co., Ltd.	2.96	1.45
Techking Tires Limited	2.96	1.45
Triangle Tyre Co., Ltd.	2.96	1.45
Tyrechamp Group Co., Limited	2.96	1.45
Shandong Wanda Boto Tyre Co., Ltd.	2.96	1.45
Windforce Tyre Co., Limited	2.96	1.45
Winrun Tyre Co., Ltd.	2.96	1.45
Weihai Zhongwei Rubber Co., Ltd.	2.96	1.45
Shandong Zhongyi Rubber Co., Ltd.	2.96	1.45
Zhaoqing Junhong Co., Ltd.	2.96	1.45

Producer/Exporter	<i>Final Results: Weighted-Average Dumping Margin (Percent)</i>	Third Final Remand: Weighted – Average Dumping Margin (Percent) (Applicable to the period January 27, 2015 through October 19, 2015)
Pirelli Tyre Co., Ltd.	76.46	1.45 ¹⁸

Cash Deposit Requirements

Because (1) Qingdao Sentury Tire Co., Ltd./Sentury Tire USA Inc./Sentury (Hong Kong) Trading Co., Limited;¹⁹ (2) Shandong Anchi Tyres Co., Ltd.;²⁰ (3) Crown International Corporation;²¹ (4) Shandong Duratti Rubber Corporation Co. Ltd.;²² (5) Shouguang Firemax Tyre Co., Ltd.;²³ (6) Qingdao Fullrun Tyre Corp., Ltd.;²⁴ (7) Qingdao Fullrun Tyre Tech Corp., Ltd.;²⁵ (8) Hankook Tire China Co., Ltd.;²⁶ (9) Shandong Hengyu Science & Technology Co., Ltd.;²⁷ (10) Hongkong Tiancheng Investment & Trading Co., Limited;²⁸ (11) Jiangsu Hankook

¹⁸ See Memorandum, “Final Results of Redetermination Pursuant to Second Remand of Certain Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Amended Final Calculation Memorandum for Separate Rate Companies,” dated February 26, 2021.

¹⁹ See *Certain Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2016-2017*, 84 FR 17781 (April 26, 2019) (2016-2017 Final Results).

²⁰ See *Certain Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Final Results of Antidumping Duty Administrative Review; 2017-2018*, 85 FR 22396 (April 22, 2020) (2017-2018 Final Results).

²¹ *Id.*

²² *Id.*

²³ See 2016-2017 Final Results.

²⁴ See 2017-2018 Final Results.

²⁵ See 2016-2017 Final Results.

²⁶ See 2017-2018 Final Results.

²⁷ *Id.*

²⁸ See 2016-2017 Final Results.

Tire Co., Ltd.;²⁹ (12) Kenda Rubber (China) Co., Ltd.;³⁰ (13) Shandong Longyue Rubber Co., Ltd.;³¹ (14) Mayrun Tyre (Hong Kong) Limited;³² (15) Shandong New Continent Tire Co., Ltd.;³³ (16) Qingdao Odyking Tyre Co., Ltd.;³⁴ (17) Shandong Province Sanli Tire Manufactured Co., Ltd.;³⁵ (18) Shandong Linglong Tyre Co., Ltd.;³⁶ (19) Shandong Shuangwang Rubber Co., Ltd.;³⁷ (20) Shandong Wanda Boto Tyre Co., Ltd.;³⁸ (21) Winrun Tyre Co., Ltd.;³⁹ (22) Zhaoqing Junhong Co., Ltd.;⁴⁰ and (23) Pirelli Tyre Co., Ltd.⁴¹ each have a superseding cash deposit rate, *i.e.*, each company has been assigned a cash deposit rate in the published final results of a subsequent administrative review, we will not issue revised cash deposit instructions to U.S. Customs and Border Protection (CBP). This notice will not affect the current cash deposit rate for those exporters/producers. For all producers/exporters that do not have a superseding cash deposit rate, Commerce will issue revised cash deposit instructions to CBP.

Liquidation of Suspended Entries

At this time, Commerce remains enjoined by Court order from liquidating entries that: were exported by Qingdao Sentury Tire Co., Ltd. or Pirelli Tyre Co., Ltd., and were entered, or withdrawn from warehouse, for consumption during the period January 27, 2015, through July 31, 2016. These entries will remain enjoined pursuant to the terms of the injunction during the pendency of any appeals process.

In the event the Court's ruling is not appealed, or, if appealed, upheld by a final and conclusive court decision, in accordance with 19 CFR 351.212(b), Commerce intends to instruct

²⁹ See 2017-2018 Final Results.

³⁰ *Id.*

³¹ *Id.*

³² *Id.*

³³ *Id.*

³⁴ *Id.*

³⁵ *Id.*

³⁶ See 2016-2017 Final Results.

³⁷ *Id.*

³⁸ *Id.*

³⁹ See 2017-2018 Final Results.

⁴⁰ *Id.*

⁴¹ *Id.*

CBP to assess antidumping duties on unliquidated entries of subject merchandise exported by:

(1) Qingdao Sentury Tire Co., Ltd. at the rate noted above; and (2) Pirelli Tyre Co., Ltd. at 1.45 percent for the period January 27, 2015, through October 19, 2015 and at 76.46 percent for the period October 20, 2015, through July 31, 2016.

Notification to Interested Parties

This notice is issued and published in accordance with sections 516A(c) and (e) and 777(i)(1) of the Act.

Dated: May 27, 2022.

Lisa W. Wang,
Assistant Secretary for Enforcement and Compliance.

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